

Remarks at a National Democratic Club Dinner January 9, 1996

Thank you. I needed that. *[Laughter and applause]* Thanks. I said that because, you know, I just needed a Democratic fix. *[Laughter]* I've spent more time with Senator Dole and Speaker Gingrich than I have with Hillary and Chelsea in the last 3 weeks. *[Laughter]* And it's nice to sort of be home.

I want to thank Dawson Mathis and Pat Rissler and Bill Long, Barbara Boggs, and all the others who have made me feel so welcome tonight. I'm glad to be here with Congressman Bonior and Mrs. Bonior. I want to tell you, if we had 100 people in the Congress like David Bonior, this would be a better country. This would be a better country. He is a great man. *[Applause]* Thank you. And if we had 218, we'd be in the majority. *[Laughter]*

All of you know this is a very interesting time to be in Washington, DC, to be in public life, indeed, to be an American. I'm glad to see so many young people here tonight. I'm glad to see that anybody showed up. I was afraid that only the President could navigate the roads. *[Laughter]* I figured this was going to be like my early campaign rallies in New Hampshire. Wherever two or more are gathered, you know, I just showed up, and I figured that—*[laughter]*—so I'm glad you made it tonight.

But particularly for the young people, I would say to you that you are living through an era of more profound change than any the United States has experienced in a hundred years in terms of the way we work and live and relate to each other and the rest of the world, trading the cold war for the global village, trading the industrial age for an information and technology age, trading a lot of yesterday's problems for tomorrow's problems.

And I believe for the young people who are here, if we do our job now, it will also be an age of immense possibility, beyond things that even we can imagine now. But it's also a time of great difficulty. And as with every period of great change, we have to reaffirm what it means to be an American and also make the right kinds of decisions. That's really what's going on here.

And this great debate in Washington about the budget is not about balancing the budget

at all, really. As I announced today, we have now, both sides, agreed on far more than enough savings to bring the budget into balance—already. We could do that tomorrow. In an hour, we could draw it up and put it out and have a balanced budget. That's not what we're debating.

We're really debating what kind of country we're going to be and what our common obligations to each other are, what our obligations to the future are. And tonight I just want to take just a few minutes to ask you to think about that in terms of where we are now and what this country has always been about.

If you go back to the Founding Fathers and you go through the Civil War, the period of Reconstruction, the progressive era with Theodore Roosevelt and Woodrow Wilson, the Great Depression, the Second World War, the cold war, and the great explosion of opportunity in the United States afterward, in everything that has happened, you will see that there have always been three great, constant themes in American life: our love of liberty, our belief in progress, and our struggle to find common ground.

And sooner or later, we have always understood that each of them depended upon the other. Our Constitution enshrined liberty in a Bill of Rights that said that black people only counted as three-fifths of human beings, so sooner or later we realized we couldn't really preserve everybody's liberty until all people were free. And we found some common ground.

Progress was largely an individual thing until we came to understand that in an industrial economy, the Government had a role to play to create a framework in which everybody could get ahead who was willing to work and make the most of their God-given abilities.

And now, as we move out of the industrial age into a time that will be far less centralized, far less dominated by large organizations, at least in terms of employment, and far more dominated by new forms of communications and technology, we have to once again examine these three questions and ask ourselves: How will we preserve our liberty? Do we have to stand up for people's liberty beyond our borders? How

will we preserve the idea of progress in an age in which we have more new millionaires every year than the year before for the last 3 years, but more than half the people are working harder for the same or lower wages they were making 20 years ago, and a million people a year are losing their health insurance? How can we preserve the idea of progress for everyone? And how can we continue the struggle for common ground?

When I ran for President in 1992, I thought that the real problem with the country was that our leaders had no strategy for dealing with these three challenges. And I said, "I want you to vote for me because I want to restore the American dream for all people in the 21st century. I want to bring our country together, and I want to preserve the leadership of America as the world's greatest force for peace and freedom and democracy. And here's how I will do it."

In 1995 and 1996, we see that now the issue is not one strategy for getting into the future as against no strategy; it is two very different ideas of change and what our country ought to be about. We now have about 3 years of experience with the strategy that our administration brought to the White House, a strategy based on economic growth, based on a reaffirmation of our traditional values, based on radically changing the way the Government operates, and based on reasserting the vigor and leadership of the United States as a force for peace and freedom and security.

So in this budget fight, one of the things that I want the Democrats to help remind the American people of is, we have—their theory is unproven at best. You have 3 years of experience with the way we think it ought to be done.

What was our economic strategy? Bring the deficit down; expand trade on not only free terms but fairer terms; and invest in the American people, in their education, in their technology, in their research, in their capacity, in their infrastructure. We did it.

What's happened in the last 3 years? Don't forget to remind people who are debating this budget that the deficit has already been cut in half in the last 3 years. Don't forget to remind people that we cut it in half and still invested more in education, in training, in technology, in research, in expanding the frontiers of possibility in America.

And what have the results been? In 3 years, almost 8 million new jobs; each year, a record number of new business formations; after 3 years, the lowest combined rates of unemployment and inflation in 27 years; a 15-year high in homeownership; an all-time record in American exports. Why would you change that policy?

So that first question to be asked is, why would you change an economic policy that is working? It is not perfect. We still have one enormous economic problem. As in every single instance that I am aware of in history—you can see it in China today, you could see it in the United States 100 years ago—whenever you change the whole economic structure of a country, you open up new possibilities and you make a lot of new millionaires, but you disturb the established order of things so much that a lot of people fall through the cracks.

And there are too many people today who are working hard but never getting ahead. There are too many people today my age who are white-collar workers who are told one day that "30 days from now you won't have a job; in a year from now you won't be able to find another job paying anything like what you've been making. And you've got three kids, and I don't know how you're going to send them to college; that's not my problem."

I got a letter the other day from a guy I went to grade school with. He came up in a family that was far worse off than mine. We were just two little kids on a play yard in a little public school in a little town in Arkansas. He was the first person in his family, like me, ever to get a college degree. He became an engineer. He went to work for a Fortune 500 company. One day about a year ago, he and two other white male 50-year-old men were told that they wouldn't be needed anymore, that two younger people were going to get the jobs that those three used to do, in a year when the company was experiencing very strong profits.

Now, maybe they needed to downsize, and maybe they didn't need them anymore. But the point is, that fellow has been out there for nearly a year now, working hour after hour every day on a computer program with 250 different contacts around America, everybody who could possibly hire anyone who did the kind of job he did for anything remotely approximating the pay that he used to make, and he still hasn't found anything. And he has two children, like these young people, he's trying to send to col-

lege. So it's not just lower income workers, it's also white-collar workers that are afflicted by this insecurity.

Now, we can't stop these changes that technology and global competition are driving, but we can ask ourselves, what are those challenges? I think the great challenge that we face is how to define a new security for families in the 21st century. If you don't have a guaranteed job, you ought to have access to education, access to health care, and a pension you can tote around with you that nobody can take away from you—at least that.

So in the debate over this—over which way to balance the budget is better, you should ask yourself, what is the evidence we have about which path works? And what are the problems that the Clinton administration still has not been able to solve? And which policy will make it better or worse, more or less likely we can solve them? If you look at the record, you can be proud of that. If you look at the challenges, you know we need to do more of what we've been doing, not less.

If you look at the reaffirmation of our basic values of respect for one another and for our diversity and for the integrity of people and their safety, in the last 3 years we have some pretty good evidence of that. We passed a crime bill that's helping to put 100,000 more police officers on the street. New York City just reported the biggest drop in crime since 1972; my hometown, Little Rock, Arkansas, a 7-year low in crime. All over America, the crime rate is down.

We've given 35 States pretty much the freedom to do whatever they wanted to change their welfare programs to move people from welfare to work as long as they took care of the little children and didn't hurt children but strengthened families while they were promoting work. And we passed the family and medical leave law and the national service law. And these things were consistent with our national values.

Well, what's happened in the last 3 years? The crime rate's down. The welfare rolls are down. The food stamp rolls are down. The poverty rate is down. For 2 years, the teen pregnancy rate has dropped.

Did we cause all that? No. The American people caused it, but our policies supported it. They helped it. Why would you, then, change? Why would you scrap the police program and just send a check to cities and say, spend the

money however you want? Is the crime rate low enough? No. So what we should do is to keep on doing what we're doing; it's working.

Same thing is true in welfare reform. I worked on that before the Republican contract was a gleam in anybody's eye. I'm all for that. But welfare reform should be that, should be welfare reform. It should liberate people and hold them to high standards and have high expectations. And it should make it possible for people to succeed as parents and as workers. The same problem we've got with blue-collar people around this country and white-collar people around this country.

Most people who have children work. Most people who have children have to work. Since we want people to have children—most workers, we should want to have children. Therefore, it follows, one of our great national goals should be to help people succeed as parents and in the workplace. That ought to be welfare reform's goal; that ought to be our work program today.

So I say to you: Should we reform the welfare system? Should we find ways to be more effective in lowering the crime rate? Absolutely. But we shouldn't reverse policies that work. We should build on them and go in the same direction.

If you look at the whole area of Government—the Republican majority in Congress, they rail about big Government all the time. You know how big your Government is? There are 200,000 fewer people working for the Government today than there were the day I became President—actually, now, about 205,000 fewer. The last time the Government was this size was when Lyndon Johnson was President of the United States in 1965. As a percentage of the civilian work force, your Federal Government is now the smallest it has been since 1933 before the New Deal.

Don't let the Republicans say they're ending big Government. That is done, and the Democrats did that for you. And nobody even noticed because we did it in the right way, with no suffering of Government services and without putting good public employees out on the street and treating them like they were disposable products.

So there is a right way and a wrong way to do that. When we downsized the Federal Government, we had generous early retirement system. We had generous severance pay. We

gave people time to find other jobs. We made sure when they left they had enough money to build another life. And we've had very few complaints. And we also did it in a planned and disciplined way so that all the work that the public needed done could be done.

So no one in America knows that there are 200,000 fewer people working for the Federal Government today than there were before I took office, and that is a good thing. That means we did our job. And that means the Federal employees did their job.

One of the reasons that I was so angry in the last Government shutdown was that here these people are working with 200,000 fewer people putting out more work than they were 3 years ago, never even getting so much as a thank-you, and now they're being thrown out of work against their will. So we can't let that happen again. But we ought to recognize that a remarkable transformation has happened in the Federal Government.

We're working on getting rid of 16,000 of the 86,000 pages of Federal regulation and improving the quality of environmental protection and public health, not weakening it. Now, that is the right way to do that, not with some uncritical condemnation of the Government but by defining in modern terms what it is we need our Government to do.

And finally, let me say that—and I owe a special word of thanks to Mr. Bonior for the last item on this list—I am profoundly proud that our country has been a great source of peace and freedom, from Haiti to Northern Ireland, to the Middle East, and to Bosnia, in the last 3 years. And I want to thank those in Congress who have stood by me in this.

The truth is that at the end of the cold war, the world is still a little unsettled and the new security patterns are not there, and the United States has to lead. I am proud of the fact there are no Russian missiles pointed at any Americans during this administration for the first time since the end of the cold war.

And I'm proud of the fact that we've got nearly 180 countries to say that they wouldn't engage in nuclear proliferation. And I'm proud of the fact that our antinarcotics, anti-drug-ring strategy, using the military and our civilian law enforcement authorities, have helped to result in the arrest of most of the leaders of the notorious Cali drug cartel in Colombia. I am proud

of the fact that we are making progress on these things.

Now, do we have problems at home and abroad? You bet we do. What's the biggest violation of our values? We already talked about our biggest economic problem. Our biggest social problem is that the crime rate's going down, but crime among young juveniles, people under 18, is going up. Drug use among young adults 18 to 34 is going down; drug use among young people 12 to 17 is going up. Why? There are too many of those kids out there raising themselves. There are too many kids who have been abandoned in inner cities and isolated rural areas that think they have no future.

Is the answer to do less for them? Or is the answer to try to build on the progress of the last 3 years and be honest and say, you know, if you want people to choose a good future, you have to tell them what they should say no to, but you've got to make sure there's something for them to say yes to as well. There has to be a future out there for all of our children.

And one other thing I want to say about that. The other big issue that I think we as Democrats ought to be proud to embrace is the idea that we will draw strength from our diversity. We have always drawn strength from our diversity. Every time we have broadened opportunity in this country, we've been stronger for it.

We're a better country than we would have been if we'd tried to hold on to slavery longer. We're a better country than we would have been if we'd never had the civil rights revolution. We're a better country than we would have been if we'd never given women the opportunity to do the things that they can do and that they want to do and that their imagination would lead them to do. We are a better country when we open opportunities to people.

There will always be great difficulty in a country full of great conviction when a lot of those convictions collide. I gave a speech about affirmative action at the National Archives not very long ago, saying that I thought it should be ended someday, but not until we knew there was no longer any institutional and pattern of racism in the country; it was time to change it, but not to end it.

I was able to go out to James Madison High School in Virginia a few months ago to talk about prayer in the schools and religious observance in the schools, no matter what religion

people have, and to explain to the American people it is not true that there can be no expression of religious conviction in the schools. It is simply true that the State may not sanction one particular form or another.

So our Secretary of Education, who's doing a magnificent job, by the way, sent out a list of guidelines to schools all over America. And we have been deluged with gratitude from fundamentalist ministers, from rabbis, from ordinary citizens, from confused teachers, from people all over the country who simply did not know what the rules were, because now they do.

I spent a lot of time trying to figure out how we can make this diversity work for us. But I'll tell you something, wedge politics is not one way to do it. Pitting one group of Americans against another is not a way to do it. You may win a lot of elections getting one group of Americans to be frightened of another, but you won't win many hearts and minds and futures, and you won't win many battles for America doing it that way. I don't believe it works.

And if you look at where we have to go in the world, I am telling you—I don't know how many of you saw the—I guess a lot of you did—the coverage of the trip I took to Ireland and to England and then later to Germany to see our troops and to Madrid to meet with the leaders of Europe, but on the street everywhere it was amazing the response that people gave, not to me, to the United States of America because they thought America was still there trying to lead, trying to fulfill a role that only we can fulfill now.

Maybe 10, 20 years from now, all the security problems in the world will be handled by groups of democracies dealing with the problems in their own backyard, and that all we'll have to do is to cooperate through the United Nations to help solve problems in distant lands where there is no structure to deal with them, at a time or place in the future. But today, whether we like it or not, America is still needed. America still matters in the Middle East. America still matters in Northern Ireland. America still matters in Bosnia. America still matters. I do not believe the answer is to walk away from those responsibilities.

So that's the context in which I think you should see this debate over the budget. If you are a young person and most of your life is still ahead of you, you've got a lot more at

stake in this debate than the people who right now are drawing Medicare. But you should care about those people, because if you're 20 years old and you have a grandparent who is 75 years old and you have parents in the middle, I can tell you that if it weren't for the Medicare program, a lot of middle class parents wouldn't be able to send their children to college because they'd have to spend every last dime they have taking care of their parents.

You should care about the Medicaid program, even if you're an upper income person, because the Medicaid program gives health care to 4 million children who wouldn't get it otherwise, and they are a part of our future, too. And every day we neglect them is a day we will pay back for it, sure as the world, before it's over.

You may never draw a Pell grant because you may be so fortunate you don't need it, but you should care whether this budget eliminates 360,000 Pell grant scholarships. America will pay for that. We already have a problem getting poor kids to go on to college and to stay in college because the cost of a college education has gone up so much. And we should not cut back on those college scholarships.

You ought to care if we eliminate the direct student loan program, which gives people lower cost, more hassle-free loans with better terms of repayment, because we need more young people going on to college. If you look at the 1990 census, it is absolutely chilling to see what has happened to young people who don't have at least 2 years of education after high school, what happens to their job prospects, their earnings, their prospects for health care, for retirement, for continuing education, for stability in their lives. It is chilling.

So it matters. That's what this whole debate is about. Let me tell you again, we have already identified enough cuts in the budget that both the leaders of the Democratic Party, not just the President but the congressional leaders, and the Republican congressional leaders, that we all agreed have to be made that we could balance the budget like that. This is about how we will do it. And to me it is not about this dollar or that dollar, it's how I imagine your country will look 10, 20, 30 years from now. I'm asking myself, will this make America stronger in the future? Will we honor our responsibilities to our parents, as well as to our

children? What kind of country will we be? What are our common responsibilities?

And there's a huge debate. Let me just give you two examples in closing. First major piece of legislation I signed in 1993 was the Family and Medical Leave Act. Basically, it said that if you worked for a company with 50 or more employees, you can have a little time off, unpaid, if you're having a baby born or you've got a sick child or a sick parent, and you can't be fired for it. A hundred and seventy countries had that law before we did because the business interests in our country said, "Oh, it will kill us. It will cost a lot of jobs. It will break businesses." I have no evidence that any business has closed because of the family leave law, not any.

But the people who now lead the Congress in both Houses opposed that 3 years ago because they said, "Oh, this is a terrible Government infringement on the private sector." Let me tell you, not very long ago I went out to the National Institute of Health, and I met with a lot of sick children—a lot of them probably won't live—and I met with their parents. And I met with couple after couple after couple who would have lost their health insurance had it not been for the family leave law, who would not have been able to be with their sick children had it not been for the family leave law, and who still have jobs because of the family leave law. And this is a better country and the people are better, stronger employees and their businesses are more successful because we passed that little law. But it was a big thing because of the differences in our philosophy.

I'll just close with this story. I got a call the other night in the middle of this debate from a man I went to college with, who is the model of what the Republican Party says we ought to have for citizens. He is a pro-life Irish Catholic who married an Irish Catholic girl and raised two beautiful Irish Catholic boys. And when we got out of college, he went into the Marine Corps and served with great distinction. And when he got out of the Marine Corps, he became a pilot. And he's worked hard all his life. And when a relative of his wife had a child with cerebral palsy and their family fell apart and they couldn't raise the child, this man and his wife adopted that child as their own, and they raised that child.

And while they were raising these three children, one of whom had cerebral palsy, they

spent all their free time with their church. And twice a year, because they lived in southern California, they went to Mexico to build houses for poor people. And they didn't ask anything from the Government. They paid their taxes; they did their work; they gave their lives to their family. When one member of their family needed a little help, they adopted a child with difficulties and raised her to be a wonderful young woman. They are a model of what the people who say the Government is not needed ought to be.

This man called me on the phone the other night. He said, "I've been following this budget debate, and I'm sitting here with a catalog buying my daughter another wheelchair. And I don't need any help from the Government. And I'm grateful that I've got a good job, and I can afford to do it." But he said, "You know, when we lived in California, one of my daughter's best friends was a child with spina bifida. And she lived with her mother, a single parent who worked for about \$6 an hour and rode a bus an hour a day each way to work." He said, "Now, the way I got it figured, this budget proposal, if you let it become law, would hit that woman in three ways." He said, "I'm going to get a tax cut, right?" I said, "That's right." I think so. I mean, I don't exactly know that his income is, but I think he will. And he said, "Now, she's going to get hit three ways: They're going to reduce her transportation subsidy, so the cost of her busfare is going to rise. They're going to cut back on the earned-income tax credit, so her tax bill is going to go up when mine goes down. And then they're going to cut back on aid to disabled children so she won't get the help that she now gets or won't get as much of it to help her buy a wheelchair or new shoes for her child who drags her shoes and ruins them every few weeks. Is that right?" I said, "That's about it." He said, "You've got to stop that. You've got to stop that." That's what we've been trying to stop.

Now, what I want you to understand is that—and let me say this, and with all respect to the people whom I've spent the last several weeks with, and don't laugh about this—a lot of these people are very well meaning, very sincere; they just look at the world different than we do. They really believe that nearly any Government spending is worse than nearly any kind of tax cut. They really believe that nearly every interruption of the market is a bad thing and

that whenever Government tries to define the public interest, something bad will happen which will be worse than all the good can offset.

And I have a lot more respect, frankly, for all of them and for the debates we've had. And I think we understand each other's position. And I hope more than anything we can get agreement, and I still think we probably can. But I just want you to know what I have been fighting for, because I can remember what it was like. I'm almost 50 now. I'm old enough to remember what it was like when there were no regulations in nursing homes. I was in chicken plants before there were any health regulations for people who worked in chicken plants. I walked in factories before OSHA came there, and I saw men working in factories with three of their fingers gone. I can remember.

I don't believe we're a weaker country because of Medicare. If you live to be over 70 in America today—people over 70 have a longer life expectancy in America than in any other country in the world because of Medicare. I believe that the Government needs to invest in research. One of the biggest—there's no votes in this one way or the other, but one of these budgets would cut our research budget 30 percent over the next 7 years; the Japanese just voted to double theirs. We just had America's Nobel Prize winners in, nine of them, into the White House; seven of them had Government research. That's the way it's done in the world.

So those are the debates we're having. There's some very good people on the other side of

this debate, and they have some good points. But fundamentally, I believe that we're better off if we say: What do our values require us to do? What will be good economic policy? What will preserve our leadership into the 21st century? How can we fight for liberty, reassure the availability of progress to everybody, and struggle for common ground? Those are the questions.

And I think about the children and the young people much more than I do people my age. You know, most of us who have already lived most of our lives have been given great gifts by America. It is our job to pass on to you a future that will be worthy of our past and that will meet the challenges of the moment. That is what this debate is about. It is not about balancing the budget. And you have two huge competing world views. Both have their points. But let me tell you something, the Democratic Party has been pronounced dead over and over and over again in the last 2 years. But tonight when I finished my work, I was never more proud to be a Democrat.

Thank you, and God bless you.

NOTE: The President spoke at 8:35 p.m. at the Capital Hilton Hotel. In his remarks, he referred to Dawson Mathis, president, and Patricia Rissler, secretary, National Democratic Club; William Long, former Assistant Clerk, U.S. House of Representatives; Barbara Boggs, dinner coordinator; and Judy Bonior, wife of Representative David Bonior.

Remarks on the Budget Negotiations and an Exchange With Reporters *January 10, 1996*

The President. Hello, everybody. Is everyone in here? Well, first, let me say that we're having this Cabinet meeting to discuss the present status of our budget negotiations and where we are. As I have said all along, I am for balancing the budget in 7 years, but I want to protect the fundamental priorities of the American people and the future of the American people. We can balance a budget in 7 years, according to the Congressional Budget Office, without having dangerously low levels of commitment to Medicare and Medicaid, without having big cuts that

undermine our commitments in education and the environment, without raising taxes on working families.

Now, that's what the Congress said they wanted. I've got this letter here from Congress, a letter from Congress to the Speaker saying that the budget we submitted in fact balances the budget in 7 years. The differences between these two budgets are now clear. We do not want to fundamentally change the commitment of the Medicare program to the health care of seniors. We do not want to fundamentally